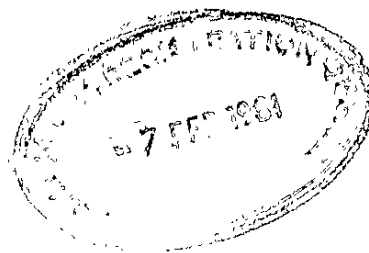


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WARWICK WARD (MACHINERY) LIMITEDREPORTS AND ACCOUNTSFOR THE YEAR ENDED 30th SEPTEMBER, 1980

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WARWICK WARD (MACHINERY) LIMITED

DIRECTORS:

W. Ward - Chairman and Managing Director
Mrs. S.M. Ward

SECRETARY:

Mrs. S.M. Ward

REGISTERED OFFICE:

Dock Works, Canal Street, Barnsley, South Yorkshire

DIRECTORS' REPORT

FOR THE YEAR ENDED 30th SEPTEMBER, 1980

The directors present herewith the accounts for the year ended 30th September, 1980.

RESULTS AND DIVIDENDS

The profit for the year and the appropriation thereof are shown in the profit and loss account on page 3.

The directors do not recommend the payment of any dividend.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of dealing in plant and machinery.

EXPORTS

The sales value of goods exported by the company during the year was £21,950.

DIRECTORS

The names of the directors of the company, both of whom served throughout the year, are listed at the head of this report.

The director to retire by rotation is Mrs. S.M. Ward, who, being eligible, offers herself for re-election.

The interests of directors in shares of the company appearing in the register maintained under the provisions of the Companies Act 1967 were:

	<u>At beginning and end of year</u>
Shares of £1:	
Mr. W. Ward	75
Mrs. S.M. Ward	25

No director had any significant interest in any contract with the company at any time during the year.

AUDITORS

In accordance with Section 14 of the Companies Act, 1976 a resolution to re-appoint Messrs. Hawson & Co. as auditors to the company will be proposed at the forthcoming annual general meeting.

BY ORDER OF THE BOARD,

S.M. Ward,

Secretary.

5th December, 1980.

AUDITORS' REPORT

TO THE MEMBERS OF WARWICK WARD (MACHINERY) LIMITED

The accounts set out on pages 3 to 8 have been prepared on the historical cost basis. In our opinion, the said accounts together give, on that basis, a true and fair view of the state of affairs at 30th September, 1980 and of the profit and source and application of funds for the year ended on that date and comply with the Companies Acts 1948 and 1967.

HAWSON & CO.

Chartered Accountants.

Sheffield,

5th December, 1980.

WARWICK WARD (MACHINERY) LIMITED

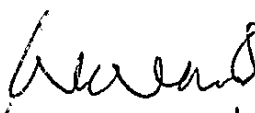
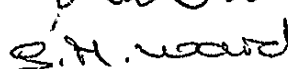
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30th SEPTEMBER, 1980

	<u>Note</u>	<u>1980</u> £	<u>1979</u> £
PROFIT BEFORE TAXATION	2	37,168	71,847
TAXATION	3	<u>12,200</u>	<u>26,956</u>
PROFIT AFTER TAXATION		<u>24,968</u>	<u>44,891</u>
Dealt with as follows:			
DIVIDENDS PAID OR PROPOSED		-	-
PROFIT RETAINED	7	<u>24,968</u>	<u>44,891</u>
		<u>24,968</u>	<u>44,891</u>

WARWICK WARD (MACHINERY) LIMITED

BALANCE SHEET - 30th SEPTEMBER, 1980

	<u>Note</u>	<u>1980</u> £	<u>1979</u> £
ASSETS EMPLOYED:			
FIXED ASSETS	4	<u>25,841</u>	<u>25,364</u>
CURRENT ASSETS	5	224,792	190,232
Stocks		17,249	15,604
Debtors		843	336
Bank balance and cash		-	4,868
Corporation tax refund due		<u>242,884</u>	<u>211,040</u>
CURRENT LIABILITIES		27,098	18,490
Creditors		3,400	-
Corporation tax payable 1st July, 1981		17,880	31,335
Bank overdraft		<u>48,378</u>	<u>49,825</u>
NET CURRENT ASSETS		<u>194,506</u>	<u>161,215</u>
		<u><u>220,347</u></u>	<u><u>186,579</u></u>
FINANCED BY:			
SHARE CAPITAL	6	100	100
RETAINED PROFITS	7	<u>149,647</u>	<u>124,679</u>
SHAREHOLDERS' FUNDS		149,747	124,779
DEFERRED TAXATION	8	<u>70,600</u>	<u>61,800</u>
		<u><u>220,347</u></u>	<u><u>186,579</u></u>

 W. WARD)
 S.M. WARD) Directors

WARWICK WARD (MACHINERY) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 30th SEPTEMBER, 1980

	<u>1980</u> £	<u>1979</u> £
SOURCE OF FUNDS		
Profit before taxation	37,168	71,847
Adjustment for item not involving the movement of funds -		
Depreciation including adjustments on disposals of fixed assets	8,340	3,395
FUNDS GENERATED FROM OPERATIONS	<u>45,508</u>	<u>75,242</u>
APPLICATION OF FUNDS		
Taxation (recovered) paid	(4,868)	16,624
Capital expenditure less disposals	8,817	5,435
	3,949	22,059
Movement of working capital -		
Increase in stocks	34,560	94,993
Increase in debtors	1,645	13,686
(Increase) in creditors	(8,008)	(7,082)
	31,546	123,656
INCREASE (DECREASE) IN NET LIQUID FUNDS	13,962	(48,414)
	<u>45,508</u>	<u>75,242</u>

WARWICK WARD (MACHINERY) LIMITED

NOTES TO THE ACCOUNTS - 30th SEPTEMBER, 1980

1. ACCOUNTING POLICIES

(a) Depreciation

Provision is made for depreciation at the following annual rates designed to write off the cost of all fixed assets by equal instalments over their expected useful lives:

Leasehold buildings	10%
All other fixed assets	20%

(b) Stocks

Stocks are valued at the lower of cost and net realisable value.

(c) Deferred taxation

Provision is made for deferred taxation at the corporation tax rate of 40%.

2. PROFIT BEFORE TAXATION is stated after charging the following items:

	<u>1980</u> £	<u>1979</u> £
Depreciation	7,169	6,751
Loss (profit) on sale of motor vehicles	1,171	(3,357)
	<u>8,340</u>	<u>3,394</u>
Directors' emoluments		
Management remuneration	22,023	19,199
	<u>600</u>	<u>500</u>
Auditors' remuneration		
Interest payable:		
Bank overdrafts	263	24
	<u>263</u>	<u>24</u>

3. TAXATION

The charge comprises:

	<u>1980</u> £	<u>1979</u> £
Taxation on the profit of the year:		
Corporation tax at 40%	3,400	-
Deferred taxation	11,743	35,400
	<u>15,143</u>	<u>35,400</u>
Deferred taxation arising from change in taxation rate	(2,943)	-
Deferred taxation applicable to stock relief in 1974 no longer required	-	(3,400)
Adjustment in respect of earlier years	-	(5,044)
	<u>12,200</u>	<u>26,956</u>

4. FIXED ASSETS

	<u>Leasehold buildings</u>	<u>Plant and equipment</u>	<u>Office equipment</u>	<u>Motor vehicles</u>	<u>Total</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>1980</u>	<u>1979</u>
					<u>£</u>	<u>£</u>
<u>Cost</u>						
At beginning of year	11,595	1,144	1,624	21,600	35,963	34,418
Additions at cost	-	139	333	13,045	13,517	20,535
	<u>11,595</u>	<u>1,283</u>	<u>1,957</u>	<u>34,645</u>	<u>49,480</u>	<u>54,953</u>
Disposals	-	-	-	(7,827)	(7,827)	(18,990)
	<u>11,595</u>	<u>1,283</u>	<u>1,957</u>	<u>26,818</u>	<u>41,653</u>	<u>35,963</u>
<u>Depreciation</u>						
At beginning of year	3,008	797	933	5,861	10,599	11,094
Charge for year	1,159	256	391	5,363	7,169	6,751
	<u>4,167</u>	<u>1,053</u>	<u>1,324</u>	<u>11,224</u>	<u>17,768</u>	<u>17,845</u>
Disposals	-	-	-	(1,956)	(1,956)	(7,246)
	<u>4,167</u>	<u>1,053</u>	<u>1,324</u>	<u>9,268</u>	<u>15,812</u>	<u>10,599</u>
<u>Net book value</u>	<u>7,428</u>	<u>230</u>	<u>633</u>	<u>17,550</u>	<u>25,841</u>	<u>25,364</u>

5. STOCKS comprise:

	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>
Stock of machinery for resale	<u>224,792</u>	<u>190,232</u>

6. SHARE CAPITAL

Authorised, issued
and fully paid
£

The share capital of the company throughout the year was as follows:

100 shares of £1 each 100

7. RETAINED PROFITS

	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>
At beginning of year	124,679	79,788
Movement during the year:		
Profit retained	<u>24,968</u>	<u>44,891</u>
	<u>149,647</u>	<u>124,679</u>

8. DEFERRED TAXATION

	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>
The provision relates to and comprises:		
Corporation tax on the excess of the book value of fixed assets qualifying for taxation allowances over their value for taxation purposes	145	-
Corporation tax attributable to stock increase relief	<u>70,455</u>	<u>61,800</u>
	<u>70,600</u>	<u>61,800</u>

9. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for up to 30th September, 1980, but not provided in these accounts, amounted to £83,000 (1979 £Nil).